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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER

CARLSON, JEFFREY D

ART UNIT

PAPER NUMBER

3622

DATE MAILED: 04/20/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 09/822,544	<b>Applicant(s)</b> DONNELLY ET AL.	
	<b>Examiner</b> Jeffrey D. Carlson	<b>Art Unit</b> 3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 06 January 2006.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-62 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-62 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### DETAILED ACTION

This Office Action is responsive to the papers filed 1/6/06.

#### ***Claim Rejections - 35 USC § 103***

5           The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

10           (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**Claims 1-62 are rejected under 35 U.S.C. 103(a) as being unpatentable over Zervides et al (US6052674) in view of Crapo (2004/0064371).**

15           Regarding claims 1-4, 57, 59, Zervides et al teaches systems and methods for encouraging customers of suppliers to pay their bills on time [abstract]. A central host (EICS) is made aware of customer invoices by way of suppliers electronically transmitting customer invoice data over the Internet [fig 11: 142, 144, col 7 lines 51-62]. The EICS also electronically receives customer invoice payment history data and stores  
20 such user history data in customer accounts in the computerized EICS database [fig 11, element 138]. Although Zervides et al charges late paying customers extra fees as is generally well known [6:12-30], Zervides et al does not reward timely paying customers with tangible benefits other than their credit history is not damaged and they avoid the extra fees. Applicant however points out how several incentive systems are known  
25 which reward timely bill payers. This admitted prior art includes providing discounts as well as the earning of (presumably physical) travel vouchers for timely payments [pg 2].

Art Unit: 3622

Crapo teaches a centralized system which enables user to earn electronic travel credits (webmiles – generic frequent flyer miles) as incentives for performing acts for various partners. These electronic travel credits can be collected by users and redeemed for discounted travel products/services [abstract, ¶ 35]. It would have been obvious to one

5 of ordinary skill at the time of the invention to have provided electronic travel credits as further incentives for the bill payers of Zervides et al in an electronic manner as taught by Crapo. Zervides et al teaches that users and their invoices are identified to the central system by the billing sponsor/supplier; late bill payers are charged fees as a percentage of the amounts owed [7:51-62]. It would have been obvious to one of

10 ordinary skill at the time of the invention to have provided travel credits as incentives for timely payers in the same manner – a percentage of the amount due. When the EICS system is electronically notified of a timely paid account receivable, this represents identification of a qualified account receivable. When a paying customer earns a reward for his timely payment, the credits he earns are electronically generated in his account.

15       Regarding claims 5, the supplier/sponsor informs the host of the user's payment information [fig 9].

      Regarding claims 7-9, Crapo teaches that the travel credits are accumulated in the centralized user account and are redeemed by a travel agency for travel goods/services [¶ 33, 37].

20       Regarding claims 10, identifying the amount due on the bill is taken to provide identifying the amount of accounts receivables qualified to receive a credit.

Regarding claims 11, 12, the travel agency system of Crapo is in electronic communication with the crediting host and is therefore taken to be “combined” into a single incentive system. Zervides et al and Crapo teach that the elements of the system can be connected and accessed via the Internet [Zervides et al col 10, Crapo fig 3].

5           Regarding claim 13, Crapo teaches that the user can access his account status via a web site [¶ 40].

          Regarding claims 14, 15, 56, Zervides et al does not restrict the suppliers/sponsors to any particular industry or occupation, but does mention small and medium sized businesses as well as health care businesses including doctors [1:25-47].

10       Crapo teaches that the suppliers/sponsors could be any type of business, especially ones that engage in e-commerce [¶ 35]. It would have been obvious to one of ordinary skill at the time of the invention to have partnered with any business that sells goods or services.

          Regarding claims 16, 17, 19-23, Crapo teaches that users having enough credits

15       and desiring to redeem them can engage in a redemption process with a redemption center (a travel agency/service). [¶ 40].

          Regarding claim 18, Zervides et al teaches that the sponsors forward billing information to the host for each billing cycle [fig 9].

          Regarding claims 24, 25, Zervides et al teaches that invoice and customer data

20       is sent from supplier/sponsor to central system via the Internet [10:12-26]. This is taken to provide electronic file transfer of such data.

Regarding claims 26-36, 38, 41, 43, 45, 46, 58, Zervides et al teaches the sponsor 102, administrating 100 and customer 104 systems [fig 1]. Crapo teaches a similar architecture including the 3<sup>rd</sup> party vendor redemption center 210 [fig 2a]. Each sponsor system includes what is taken to be an Internet-compatible personal computer.

- 5 Regarding claim 29, the Administrating system can be fairly describes as an application service provider connected via a network, as shown. Regarding claim 30, Zervides et al teaches that the central host can communicate with the user system (a PC) via email [10:16-27].

- Regarding claims 37, Zervides et al teaches that the payments between entities  
10 can be made by a financial network run by the EICS or by a bank. Payments can be made via transfer of funds between bank accounts, electronic transfer, check, cash or any other payment means available [7:63-67, 8:1-8]. It would have been obvious to one of ordinary skill at the time of the invention to have also provided funds transfer via credit card payments as is well known.

- 15 Regarding claims 39, 40, the combination proposed by the examiner locates the user credit database on the same central host as the credit awarding functionality. However Official Notice is taken that it is well known to decentralize various databases and subsystems for modularity and it would have been obvious to one of ordinary skill at the time of the invention to have done so with the user accounts and the credit  
20 determining subsystems. Further, applicant's claiming of these items being together and then apart suggests a lack of criticality.

Regarding claims 42, Official Notice is taken that it is well known to provide advertising to prospects about business partners and the products and services they make available. It would have been obvious to one of ordinary skill at the time of the invention to have advertised the existence of such an incentive invoicing system and the products/services offered by its members in order to attract more customers.

Regarding claim 44, Crapo's goal is to provide a travel incentive system more flexible than traditional systems. Crapo provides "at least one travel agent or large travel service [¶ 37] and allows users to redeem credits for different airlines as well as different carriers for trains, buses, cruises, hotels, cars, etc [¶ 38]; the customer is given wide flexibility in selections for redemptions.

Regarding claim 47-49, 60-62, Crapo teaches that travel incentive systems are known to purchase the credits from the airlines. It would have been obvious to one of ordinary skill at the time of the invention for the EICS system to purchase the redeemable credits in order to fund the incentives. As stated above, Zervides et al teaches that the payments between entities can be made by a financial network run by the EICS or by a bank. Payments can be made via transfer of funds between bank accounts, electronic transfer, check, cash or any other payment means available [7:63-67, 8:1-8]. It would have been obvious to one of ordinary skill at the time of the invention to have also provided funds transfer via credit card payments as is well known.

Regarding claim 50-54, Crapo teaches that users can check account status via a web site interface [¶ 40]. Zervides et al teaches that status messages can be delivered

Art Unit: 3622

between entities via email [10:12-43]. It would have been obvious to one of ordinary skill at the time of the invention to have notified the user of earned credit(s) via such email messages.

Regarding claim 55, Official Notice is taken that it is well know to provide

5 advertising in emails sent to customers. It would have been obvious to one of ordinary skill at the time of the invention to have included ads regarding the sponsors products in such emails, inc order to further increase sales.

### ***Response to Arguments***

10 Applicant argues that the present invention is not an invoicing system. When the claims recite account receivables, examiner considers the invention to be an invoice-related system. Applicant's arguments that one of ordinary skill looking to solve the needs of the present application would not look to Zervides et al are noted, however Examiner firmly believes one of ordinary skill would look to Crapo and the notoriously  
15 well known timely payment incentive systems when given the disclosure of Zervides et al – much for the reasoning stated previously and repeated herein.

Applicant argues that the art does not show electronically receiving an identification of an eligible recipient. Examiner disagrees – Zervides et al shows the EICS electronically receiving the invoicing data regarding the customers (over the  
20 Internet or by FAX). EICS is clearly aware of eligible recipients as each customer has an account in the database(s) of the EICS. When the EICS is electronically given



Art Unit: 3622

payment information for a particular invoice, the EICS is taken to be made aware of the qualified account receivable.

Applicant argues that Crapo's system is not applicant's. Clearly this is the case or Examiner would have given a 102 art rejection. The Crapo reference is believed to provide an appropriate and strong basis for the obviousness rejection given. Crapo is relied upon to remedy applicant's admitted prior art techniques of presumably *manually* awarding timely bill payers.

### ***Conclusion***

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jeffrey D. Carlson whose telephone number is 571-272-

Art Unit: 3622


6716. The examiner can normally be reached on Mon-Fri 8a-5:30p, (off on alternate Fridays).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571)272-6724. The fax phone number for

5 the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only.

10 For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
Jeffrey D. Carlson  
Primary Examiner  
Art Unit 3622

15 jdc